

**REPORT/RECOMMENDATION TO THE REDEVELOPMENT AGENCY  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

August 31, 1999

**FROM:** MICHAEL E. NUBY, Director  
Redevelopment Programs

**SUBJECT:** SELECTION OF PRUDENTIAL SECURITIES, INCORPORATED TO PROVIDE UNDERWRITING SERVICES TO THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN BERNARDINO FOR THE ISSUANCE OF SAN SEVAINE REDEVELOPMENT PROJECT AREA TAX ALLOCATION BONDS

**RECOMMENDATION:** Approve the staff recommendation to retain Prudential Securities, Incorporated to provide underwriting services to the Redevelopment Agency of the County of San Bernardino for the issuance of San Sevaire Redevelopment Project Area Tax Allocation Bonds.

**BACKGROUND INFORMATION:** On June 22, 1999, the Board of Supervisors authorized staff to issue a Request for Proposal (RFP) for underwriting services in connection with the proposed issuance of Tax Allocation Bonds for the San Sevaire Redevelopment Project Area. The Board also authorized a selection committee to review the proposals and return with a recommendation upon conclusion of the review process. The selection committee was comprised of representatives from the Second Supervisorial District, Redevelopment Agency, County Administrative Office, Auditor Controller's Office, Treasurer's Office, County Counsel and the Agency's Financial Advisor (Katz Hollis).

The Agency received seven (7) proposals from the following firms: Sutro & Co., Sutter Securities, Kinsell, Newcomb & DeDios, Prudential Securities, Stone & Youngberg, Piper Jaffray and A.G. Edwards. The selection committee reviewed the proposals and elected to interview two (2) candidates in order to make a final recommendation to the Board of Supervisors. Upon conclusion of the interview process, the committee has elected to recommend Prudential Securities, Incorporated to provide underwriting services to the Redevelopment Agency for the proposed issuance of Tax Allocation Bonds for the San Sevaire Redevelopment Project Area.

All documents in connection with the bond issue, including a contract with the underwriter, will be returned to the Redevelopment Agency Board for consideration and approval. It is estimated that the financing will involve the issuance of approximately \$20 million in Tax Allocation Bonds. Approximately \$4.5 million of the bond proceeds will be for low-moderate housing projects as mandated by redevelopment law. The balance of the bond proceeds will provide financing for public improvement projects delineated in the San Sevaire Redevelopment Plan .

**REVIEW BY OTHERS:** This item has been reviewed by the second supervisorial district, the County Administrative Office and Michelle D. Blakemore, Deputy County Counsel.

**FINANCIAL IMPACT:** This item has no financial impact to the County. The underwriter's fee will be paid directly from bond proceeds. No fee is payable to the underwriter if bonds are not sold.

**SUPERVISORIAL DISTRICT(S):** 2nd District

**PRESENTER:** Michael E. Nuby

Record of Action of the Board of Supervisors